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*Counsel to Unsecured Creditors' Committee*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH**

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In re:	:	Bankruptcy No. 09-29905
	:	
<b>EASY STREET HOLDINGS, LLC, et al.,</b>	:	Jointly Administered with cases
	:	09-29907 and 09-29908
	:	
Debtors.	:	Chapter 11
	:	
	:	Honorable R. Kimball Mosier
	:	
	:	<b>SECOND INTERIM APPLICATION OF</b>
	:	<b>JONES WALDO HOLBROOK &amp;</b>
	:	<b>McDONOUGH, PC FOR ALLOWANCE OF</b>
	:	<b>FEES AND EXPENSES AS COUNSEL FOR</b>
	:	<b>THE OFFICIAL COMMITTEE OF</b>
	:	<b>UNSECURED CREDITORS, FOR THE</b>
	:	<b>PERIOD OF JANUARY 1, 2010 THOUGH</b>
	:	<b>AND INCLUDING</b>
	:	<b>APRIL 30, 2010</b>
	:	
	:	
	:	[FILED ELECTRONICALLY]

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Pursuant to 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Fed. R. Bankr. P., Jones Waldo Holbrook & McDonough, PC ("**Jones Waldo**"), attorneys for the Official Committee of Unsecured Creditors (the "**Committee**") submits this Second Interim Application (the

“**Application**”) for allowance as an administrative expense of **\$87,902.08** for services rendered and expenses incurred, of which \$86,425.50 is for services provided and \$1,476.58 is for expenses incurred, for the period of January 1, 2010 through and including April 30, 2010 (the “**Application Period**”).

## **I. BACKGROUND**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. §157(b)(2).

2. On September 14, 2009, Debtors filed their voluntary petitions for relief under the United States Bankruptcy Code, 11 U.S.C. §§ 101, et seq. (the “**Bankruptcy Code**”). No Trustee or Examiner has been appointed in this case, and Debtors continue to manage their properties and operate their business.

3. The Committee was duly appointed as the Official Committee of Unsecured creditors in the Partners case by the United States Trustee on October 2, 2009 [docket no. 73], and is comprised of the following members: Elliott Workgroup Architecture, LLC; Millcreek Consulting; Gateway Center, LLC; Klehr Harrison Harvey Branzburg & Ellers, LLP; Goodrich and Thomas, CPAs; and Shaner Design, Inc.

## **II. JONES WALDO EMPLOYMENT**

4. On October 27, 2009, the Committee filed an Application seeking approval of the employment of Jones Waldo as its counsel (the “**Employment Application**”). The Court entered an Order on November 24, 2009 (the “**Employment Order**”) granting the Committee’s request to employ Jones Waldo as its counsel, effective as of October 6, 2009, with such employment to be at the hourly rates set forth in the Employment Application, plus actual and necessary expenses, subject to the provisions of Section 327(a) of the Bankruptcy Code and applicable Court approval.

3. A summary of the services provided by Jones Waldo throughout the Application Period is included below.

4. All services performed and expenses incurred for which compensation or reimbursement is sought in this Application were performed or incurred for and on behalf of the Committee and not for any other person or entity.

5. Jones Waldo has not shared or agreed to share any of the compensation or reimbursement awarded in this case with any other entity or person, except as among the members or employees of the firm.

6. Jones Waldo has not made any agreements with the Committee or others for compensation or reimbursement relating to this case that have not been disclosed to the Court.

7. All of the compensation sought in this Application is at the hourly rates provided for in the Employment Application (or at hourly rates less than such rates), and all of the expenses for which reimbursement is sought, are for actual and necessary costs incurred by Jones Waldo in connection with its representation of the Committee.

### **III. APPLICATION**

#### **A. Previous Applications**

On December 14, 2009 the Court entered its Order [docket no. 217] (the “**Fee Procedures Order**”) by which the Court established procedures for the monthly interim compensation of fees and reimbursement of expenses for case professionals, including Jones Waldo, in the amount of up to 80% of monthly fees and 100% of monthly expenses.

On December 18, 2009, Jones Waldo filed its *First Professional Fee Request for Jones Waldo Holbrook & McDonough, PC, as counsel for the Official Committee of Unsecured Creditors, for the Period of October 6, 2009 Through and Including November 30, 2009* [docket no. 225] (“**First Monthly Fee Request**”) and received \$38,071.60 in payment of its fees and

expenses sought in the First Monthly Fee Request, such amount was applied to amounts sought to be paid pursuant to Jones Waldo's First Interim Application.

On January 27, 2010, Jones Waldo filed its *Second Professional Fee Request for Jones Waldo Holbrook & McDonough, PC, as counsel for the Official Committee of Unsecured Creditors, for the Period of December 1, 2009 Through and Including December 31, 2009* [docket no. 275] ("**Second Monthly Fee Request**"), pursuant to which Jones Waldo sought payment of its fees and expenses incurred during the month of December 2009. Jones Waldo received payment on account of its Second Monthly Fee Request the amount of \$10,990.31, which was applied to amounts sought pursuant to Jones Waldo's First Interim Application.

On January 29, 2010, Jones Waldo filed its First Interim Application for Allowance of Fees and Expenses as Counsel for the Official Committee of Unsecured Creditors, for the Period of October 6, 2009 Through and Including December 31, 2009 ("**First Interim Application**"), pursuant to which it sought payment of interim compensation in the amount of \$77,532.00 and reimbursement of expenses in the amount of \$311.73, for a total of **\$77,843.73**. The First Interim Application was approved by Order entered on March 29, 2010. To date, Jones Waldo has received payment on account of its First Interim Application in the amount of **\$49,061.91**.

**B. Payments On Account of Fees and Expenses For Current Application Period**

Pursuant to the Fee Procedures Order, on February 26, 2010, Jones Waldo filed its *Third Professional Fee Request for Jones Waldo Holbrook & McDonough, PC, as counsel for the Official Committee of Unsecured Creditors, for the Period of January 1, 2010 Through and Including January 31, 2010* ("**Third Monthly Fee Request**"), pursuant to which Jones Waldo sought payment of its fees and expenses incurred during the month of January 2010. Jones Waldo received payment on account of its Third Monthly Fee Request the amount of \$11,372.36.

On March 23, 2010, Jones Waldo filed its *Fourth Professional Fee Request for Jones Waldo Holbrook & McDonough, PC, as counsel for the Official Committee of Unsecured Creditors, for the Period of February 1, 2010 Through and Including February 28, 2010* (“**Fourth Monthly Fee Request**”), pursuant to which Jones Waldo sought payment of its fees and expenses incurred during the month of February 2010. Jones Waldo received payment on account of its Fourth Monthly Fee Request the amount of \$10,619.40.

On April 27, 2010, Jones Waldo filed its *Fifth Professional Fee Request for Jones Waldo Holbrook & McDonough, PC, as counsel for the Official Committee of Unsecured Creditors, for the Period of March 1, 2010 Through and Including March 31, 2010* (“**Fifth Monthly Fee Request**”), pursuant to which Jones Waldo sought payment of its fees and expenses incurred during the month of March 2010. Jones Waldo received payment on account of its Fifth Monthly Fee Request the amount of \$13,392.08.

On May 20, 2010, Jones Waldo filed its *Sixth Professional Fee Request for Jones Waldo Holbrook & McDonough, PC, as counsel for the Official Committee of Unsecured Creditors, for the Period of April 1, 2010 Through and Including April 30, 2010* (“**Sixth Monthly Fee Request**”), pursuant to which Jones Waldo sought payment of its fees and expenses incurred during the month of April 2010. Jones Waldo has not yet received payment on account of its Sixth Monthly Fee Request, Jones Waldo anticipates that it will receive some payment pursuant to that request before this Application is approved. Any amounts paid to Jones Waldo on account of its Sixth Monthly Fee Request will effect a reduction of the amount sought to be paid pursuant to this Application.

**C. Billing Methodology**

Jones Waldo requests compensation for services provided and reimbursement of expenses incurred during the entire Application Period. A summary of fees requested for the entire Application Period is attached as **Exhibit A**. A summary of the expenses incurred for the

entire Application Period, itemized by type of expense, is attached as **Exhibit B**. Invoices detailing the services rendered, the time expended in performing such services, the attorneys and paralegals providing those services, the expenses incurred, and the amounts requested for the entire Application Period are attached hereto as **Exhibit C**.

Jones Waldo's services in this case are billed on an hourly-rate basis. In rendering services and incurring expenses on behalf of the Committee, Jones Waldo makes reasonable efforts to use the most economical means and methods that are available and appropriate under the circumstances, including the appropriate staffing of matters by associates, paralegals, and clerks.

Each invoice, copies of which are attached as **Exhibit C**, contains a chronological listing of the tasks performed in each matter in which Jones Waldo provided services during the billing period covered by the invoice.

Jones Waldo has categorized the time spent performing services for the estate into the following matters and the total amount billed by Jones Waldo for each matter during the Application Period is as follows:

<u>Matter No.</u>	<u>Matter Name</u>	<u>Amount</u>
0001	Asset Analysis and Recovery	\$ 669.00
0002	Asset Disposition	\$0.00
0003	Case Administration	\$17,272.50
0004	Claims Administration & Objections	\$2,272.00
0005	Fee/Employment Applicants	\$12,095.00
0006	Fee/Employment Objections	\$5,514.00
0007	Financing	\$1,130.50
0008	Litigation	\$0.00
0009	Plan & Disclosure Statement	\$34,052.50
0010	Lien/Security Interest Investigation	\$1,366.00
0011	Bay North Litigation	\$434.00
0012	WestLB Litigation	\$11,620.00
<b>TOTAL</b>		<b>\$86,425.50</b>

Jones Waldo has extensive experience in bankruptcy cases, including Chapter 11 business reorganizations, both in this Court and in other jurisdictions. Additionally, Jones Waldo has experience in other commercial law areas related to this case, including general corporate law and commercial litigation. Given the education, experience, and expertise of the Jones Waldo attorneys rendering services in this case, Jones Waldo believes that the rates charged are reasonable.

**B. Services Performed on Behalf of The Committee**

During the Application Period, Jones Waldo rendered services to the Committee for which it seeks compensation in the total amount of **\$87,902.08** (comprised of \$86,425.50 in fees and \$1,476.58 in expenses). Such services are detailed in the invoices attached hereto as **Exhibit**

**C.**

**C. Summary of Jones Waldo's Services Rendered During Application Period**

The table below indicates the names, billing rates, hours spent, and total amounts billed as to each Jones Waldo professional and paraprofessional during the Application Period.

<b>Name (Initials)</b>	<b>Title</b>	<b>Hourly Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Jeffery Shields (JYS)	Partner	\$360.00	28.35	\$10,206.00
Lon A. Jenkins (LAJ)	Partner	\$310.00	175.10	\$54,281.00
Lon A. Jenkins (LAJ)	Partner	\$320.00	41.90	\$13,408.00
Troy J. Aramburu (TJA)	Partner	\$250.00	7.20	\$1,800.00
Jessica P. Wilde (JPW)	Associate	\$165.00	.70	\$115.50
Brock Worthen (BAQ)	Associate	\$195.00	4.60	\$897.00
Nathan D. Thomas (NDT)	Associate	\$205.00	.50	\$102.50
Sherry D. Glendening (SDG)	Paralegal	\$110.00	46.65	\$5,131.50
Rebecca A. Huot (RAH)	Paralegal	\$110.00	4.40	\$484.00
<b>Total</b>				<b>\$86,425.50</b>

During the Application Period, Jones Waldo provided various professional services to the Committee including, but not necessarily limited to, the following:

- a. assisting the Committee in the performance of its statutory duties in the Debtors' cases;
- b. conducting a review and analysis of all pleadings filed in the case, engaging in discussions with the Committee members and, to the extent necessary and appropriate, parties in interest respecting the same;
- c. evaluating the various extensions of cash collateral motions and stipulations in the case, including amendments thereto, and discussing those motions with counsel for the Debtors and secured creditors and Committee members;
- d. evaluating and discussing with the Committee the employment of a potential financial consultant for the Committee and investigating possible candidates to perform financial consulting services;
- e. conducting weekly meetings with the Committee and preparing agendas and minutes related thereto;

- f. engaging in various conferences and meetings with Debtors' counsel and counsel for secured creditors to discuss post-confirmation operational issues and reorganization plans and options;
- g. evaluating, discussing with parties and, to the extent necessary and appropriate, objecting to applications filed by Debtor and the secured creditor to employ professionals;
- h. preparing for and attending hearings on all matters in the case, including hearings on claims issues, cash collateral extensions, fee applications, the Debtor's proposed Disclosure Statement and Plan, to establish the value of the Debtors' properties, and to approve continuances of the hearing on confirmation of the Debtor's proposed Plan and related plan confirmation dates;
- i. investigating, researching and preparing the Committee's lawsuit against the Debtor's primary secured lender;
- j. reviewing Debtors' monthly operating reports filed with the Court and provided to parties;
- k. meeting with mechanics' lien holder to evaluate and discuss possible reorganization alternatives in view of pending liens and lawsuits;
- l. meeting with primary secured creditor to discuss the lawsuit, the Debtor's operations, and the various terms of the proposed plan of reorganization;
- m. numerous meetings and telephone calls with counsel for the Debtor to discuss the structure of a plan of reorganization, the terms of a plan, the Debtor's efforts to locate and obtain a plan funder, and various litigation and/or settlement alternatives respecting a plan of reorganization;
- n. analyzing and evaluating monthly fee payment procedures for estate professionals;
- o. preparing monthly fee submissions for Committee counsel and preparing Committee counsel's first interim fee application;
- p. analyzing and evaluating underlying loan documents between Debtors and secured creditors to understand extent, validity and priority of secured lenders' liens and security interests;
- q. monitoring litigation between Debtors and BayNorth;
- r. reviewing monthly professional fee submissions in accordance with monthly professional fee payment procedures approved by the Court;

- s. representing the Committee and the interests of unsecured creditors in negotiations toward, and confirmation and consummation of, a reorganization plan;
- t. representing the Committee and the interests of unsecured creditors in all matters before this Court in these cases; and
- u. generally, performing all other necessary legal services that are in the best interest of the Committee and the unsecured creditors of the Debtors.

**D. Reimbursement of Expenses**

During the Application Period, Jones Waldo incurred actual and necessary expenses in the total amount of **\$1,476.58** in connection with the professional services rendered to the Committee. A summary of the expenses is attached hereto as Exhibit B. Jones Waldo keeps in its files appropriate detail, including receipts, invoices, and other supporting information concerning the expenses incurred in this representation, and that information is available for review upon request.

**E. Payment Sought**

Pursuant to this Application, Jones Waldo seeks allowance of fees and expenses in the amount of **\$87,902.08** (comprised of \$86,425.50 in fees and \$1,476.58 in expenses) and seeks payment, as an administrative expense, of **\$52,181.96**, in addition to the payment of **\$35,720.12** which it was paid in connection with its Monthly Fee Requests for the months January, February and March (with payment for April pending, in a yet to be determined amount), so that the total amount which Jones Waldo will be paid on account of fees and expenses incurred during the Application period will be **\$87,902.08**.

**F. Certification**

Jones Waldo hereby certifies that the Committee, through its Chair, Craig Elliott, has approved the fees and expenses that are part of this Application, and has advised Jones Waldo of no objection to the allowance of such fees and expenses requested herein.

WHEREFORE, Jones Waldo respectfully requests pursuant to 11 U.S.C. §§ 330 and 331 and Fed. R. Bankr. P. 2016 (a) that interim compensation and reimbursement be allowed to Jones Waldo in the total amount of **\$87,902.08**, which includes \$86,425.50 for professional services rendered and \$1,476.58 in expenses incurred during the Application Period, (b) that Jones Waldo be paid as an administrative expense the amount of **\$52,181.96**<sup>1</sup> on account of fees and expenses, and (c) that such amounts be allowed as priority administrative expense of Debtor pursuant to 11 U.S.C. §§ 503(b)(2) and 507(a)(2);

DATED: May 28, 2010.

**JONES, WALDO, HOLBROOK &  
McDONOUGH, P.C.**

By: /s/ Lon A. Jenkins  
Jeffrey W. Shields  
Lon A. Jenkins  
Troy J. Aramburu  
*Counsel to the Unsecured Creditors' Committee*

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<sup>1</sup> Such amount reflects the difference between the amount for which approval and payment is sought herein of **\$87,902.08** and the amount of **\$35,720.12** which has been paid to Jones Waldo pursuant to its Monthly Fee Requests for fees and expenses incurred during the Application Period. In addition, Jones Waldo will reduce the amount it seeks to be paid pursuant to this Application by any amounts it receives on account of its Sixth Monthly Fee Request.

**EXHIBIT A**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH**

In re:  <b>EASY STREET HOLDINGS, LLC, et al.,</b>  Debtor.	Bankruptcy No. 09-29905 jointly administered with cases 09-29907 and 09-29908  Chapter 11  Honorable R. Kimball Mosier
<b>SUMMARY REQUIRED BY UNITED STATES TRUSTEE GUIDELINES</b>	

NAME OF APPLICANT: Jones, Waldo, Holbrook & McDonough, PC

ROLE IN CASE: Counsel for the Unsecured Creditors' Committee

NAME OF DEBTOR: Easy Street Holdings, LLC

CURRENT APPLICATION: Fees Requested: \$86,425.50  
Expenses Requested: \$1,476.58

<i><b>Name of Professional/ Paraprofessional</b></i>	<i><b>Hours Billed Current Application</b></i>	<i><b>Rate</b></i>	<i><b>Total for Current Application</b></i>
<b><u>Partner</u></b>			
Jeffrey W. Shields (JYS)	28.35	\$360.00	\$10,206.00
Lon A. Jenkins (LAJ)	175.10	\$310.00	\$54,281.00
Lon A Jenkins (LAJ)	41.90	\$320.00	\$13,408.00
Troy J. Aramburu (TJA)	7.20	\$250.00	\$1,800.00
<b><u>Associate</u></b>			
Nathan D. Thomas	0.50	\$205.00	\$102.50
Brock N. Worthen (BQW)	4.60	\$195.00	\$897.00
Jessica P. Wilde (JPW)	0.70	\$165.00	\$115.50
<b><u>Paralegal</u></b>			
Sherry Glendening (SDG)	46.65	\$110.00	\$5,131.50
Rebecca Huot (RAH)	4.40	\$110.00	\$484.00
<b>TOTALS FOR PROFESSIONALS</b>			<b>\$86,425.50</b>

**EXHIBIT B**

**SUMMARY OF EXPENSES**

<b>Type of Expenses</b>	<b>Amount</b>
Bankruptcy Court Fees	\$250.00
Online Research	\$331.80
Photocopies	\$532.60
Postage	\$35.28
Long Distance	\$326.90
<b>TOTAL</b>	<b>\$1,476.58</b>